NEW YORK TIMES

23 FEB 1972

[redacted]

STATINTL

# Notes on People

**Herbert Itkin,** the informer who gathered evidence that helped convict several organized crime and political figures in New York while working with the Federal Bureau of Investigation, has been named by a former British Secret Service official as a toiler in the vineyards of the Central Intelligence Agency as well. In The Daily Telegraph of London, **E. H. Cookridge** said that Itkin, known under the code name "Portio," was sent to London by the C.I.A. in 1966, following the escape from a British prison of George Blake, a Soviet spy. Itkin was said to be part of a crack C.I.A. team whose mission was to determine just how serious a breach in British security the escape of Blake represented, according to Mr. Cookridge.

**Philip C. Habib,** Ambassador to South Korea, left Seoul for Washington, where he will undergo medical observation and treatment at Walter Reed Hospital for what is believed to be anigina pectoris. Mr. Habib, who was the second-ranking negotiator at the Paris peace talks before he was sent to Seoul, was admitted to the U. S. Eighth Army Hospital in Seoul on Feb. 9, suffering from chest pains.

NEW YORK DAILY NEWS



[redacted]

# Marcus Admits He Agreed to a Payoff

By HENRY LEE

Former City Water Commissioner James L. Marcus, onetime glamor boy of the Lindsay administration who served two prison terms for taking kickbacks, admitted yesterday that he had agreed to a 5% payoff from the Broadway Maintenance Co.

Marcus testified as a government witness in the Federal Court perjury trial of Milton Lipkins, Broadway Maintenance vice president, who is charged with lying before a grand jury.

According to the prosecution Lipkins denied having talked with government informer Herbert Itkin about Marcus or Broadway Maintenance's annual contract with the city.

### Part of the Raise

Marcus asserted that Itkin told him the firm had agreed "to pay 5% of the coverage"—the difference between the 1966-67 and 1967-68 contracts. Marcus said he had responded that that was "fine."

Marcus' department was responsible for street lights and for several years Broadway Maintenance has built and serviced them in Manhattan and the Bronx.

### Met a Brother

Marcus said he gave Itkin the contract estimate for 1967-68, and Itkin showed it to Lipkins. Itkins had testified earlier that Lipkins was "delighted" over the contract, which was up $500,000 over the previous year.

Marcus, now out of prison and working as a salesman here, testified also that Itkin asked him to meet Lipkins' brother, Sidney, president of Broadway Maintenance. They met once, he said, but payments were not discussed.

Itkin had told the court that he got $25,000 in checks from the company in July and August 1967 as payment of the 5%. But later, after Marcus had gone to the district attorney, Lipkins said Broadway Maintenance needed a story to explain the checks, according to Itkin.

### Consider Buying Land

It was Lipkins' idea to buy land in the Dominican Republic so Itkin's past trips there would account for the checks, Itkin said.

However, Marcus said on the stand yesterday that Itkin had told him the firm "is not going to pay us until they get contracts in the Dominican Republic."

"They were afraid to pay because Mr. Itkin was too close to me," Marcus testified.

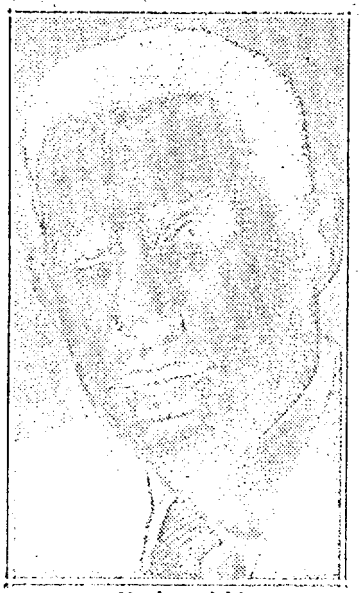
Marcus supported Itkin's testimony about other conversations regarding Consolidated Edison. Itkin had testified to negotiations for the Storm King power project, and said Marcus was to "act up," refusing to okay Con Ed projects.

The utility eventually would get "the idea" that it was to retain Broadway Maintenance to do electrical work worth an estimated $100 million, according to Itkin.

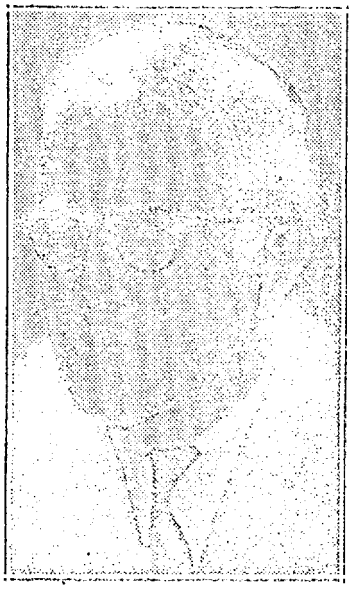
Marcus quoted Itkin as having reported that Milton Lipkins "was negotiating with Consolidated Edison vice president Max Ulrich so they could direct the contract Con Ed gave every year. The figure they threw around was $100 million."

Itkin asked him, Marcus added, "to be tough on Consolidated Edison."

The trial is being conducted by Judge Dudley B. Bonsal.



Herbert Itkin
*Government informer*



James L. Marcus
*Says he took payoff*

NEW YORK TIMES
20 AUG 1974



# Itkin Testifies 2 Light Concerns Got Millions by Fixing City Bids

By ARNOLD H. LUBASCH

Accusations that the Broadway Maintenance Corporation and the Welsbach Corporation rigged bids to obtain millions of dollars in street-lighting contracts with the city were made yesterday in testimony at a perjury trial in Federal Court here.

The testimony came from Herbert Itkin, a Government informer, who quoted a Broadway Maintenance official, Milton Lipkins, as having said that "they had been fixing their bids" for many years to divide city contracts for maintaining street lights.

"Instead of being competitive," Mr. Itkin quoted Mr. Lipkins as telling him, "it was fixed."

A spokesman for Broadway Maintenance said last night that he "absolutely denied" the bid-rigging accusations against the two companies, which retain street-lighting contracts with the city.

Mr. Lipkins, assistant vice president of Broadway Maintenance, is on trial on charges that he lied to a Federal grand jury that was investigating alleged payoffs to increase the company's contract in 1967, when James L. Marcus was Water Commissioner.

The 56-year-old defendant, who lives at 35 Sutton Place South, was indicted July 1 on perjury charges for denying under oath that he had discussed city contracts with Mr. Itkin.

Testifying as the opening witness in the trial, which began Monday, Mr. Itkin said that Mr. Lipkins gave him five checks as part of a $25,000 payoff for favorable treatment in 1967.

The witness testified that he had acted as an intermediary in the deal and that the $25,000 was a payoff for Marcus to grant a $500,000 increase in a Broadway Maintenance contract with the Department of Water Supply, Gas and Electricity, which handled street lighting.

Replying to questions by the prosecutor, Walter M. Phillips Jr., Mr. Itkin said that Mr. Lipkins later asked him to prepare fictitious bills and to backdate them as a means of covering up the payoff checks.

The checks and bills, representing key evidence for the prosecution, were identified in court by Mr. Itkin, who testified for eight hours over a three-day period.

## Ex-Secretary Testifies

The second witness was Eileen Karlin, a former secretary for Mr. Itkin, who took the stand for only a few minutes to testify that she had typed the bills in the fall of 1967 and had backdated them at Mr. Itkin's direction to indicate that they had been submitted earlier to Broadway Maintenance.

Under cross-examination by Milton S. Gould, the defense lawyer, Miss Karlin said that she remembered the bills because it was unusual for her to be told to backdate something.

One of the perjury counts against Mr. Lipkins, whose brother Sidney serves as president of Broadway Maintenance, cited the defendant's denial that the bills had been backdated and that the checks had been paid earlier.

Mr. Itkin maintained in his testimony that the checks had been a payoff and that the bills had been a later effort to disguise the payoff as payments for work done in the Dominican Republic.

During six hours of cross examination, Mr. Itkin said repeatedly that trips to the Dominican Republic had been a coverup and that the checks had been a contract payoff, not a work payment.

The witness said that the defendant had told him about bid-rigging arrangements when they were discussing the payoff deal for Marcus in 1967.

Mr. Itkin, who has testified in eight previous trials since he surfaced as an informer in 1968, admitted under cross-examination that he had broken many laws, but he said it had all been done in the role of an undercover agent.

NEW YORK TIMES
11 AUG 1971

[redacted]

STATINTL

# ITKIN SAYS PAYOFF WAS MADE TO HIM

## Testifies Against Official of Broadway Maintenance

By ARNOLD H. LUBASCH

Herbert Itkin, repeating his role as a witness for the prosecution, testified at a perjury trial yesterday that an official of the Broadway Maintenance Corporation gave him five checks as part of a payoff.

Mr. Itkin remained on the witness stand all day at the trial of the Broadway Maintenance official, Milton Lipkins, who was charged with lying to a grand jury about alleged payoffs to increase the company's street-lighting contract with the city.

The trial of Mr. Lipkins in Federal Court here marks the ninth time that Mr. Itkin is appearing as a Government informer and key witness who remains under protective custody for fear of his life.

### Defendant Takes Notes

Mr. Lipkins, assistant vice president of Broadway Maintenance, took notes on a long yellow legal pad while Mr. Itkin identified the checks that were described as part of a $25,000 payoff by the company in 1967 to gain favorable treatment from the Water Department when James L. Marcus was Commissioner.

Under cross-examination by Milton S. Gould, the defense lawyer, Mr. Itkin was asked if he had ever been involved in the bribing of public officials.

"Once I started with Marcus," the witness replied calmly, "that's what we did all day long."

Mr. Itkin conceded that he had violated numerous laws in the past, but he stressed that he had been acting as an undercover agent for the Government to infiltrate organized crime under the guise of a crooked lawyer.

"I was a hoodlum lawyer," he observed. "I committed all sorts of crimes when I was under cover."

### A Protected Home Site

Mr. Itkin said that he now lived with his children on a military reservation in a rent-free house and that the Government provided $9 a day for him as well as $3 a day for each of his four children.

"They feel I have to be protected," he said of the Government, "because there are threats against my life."

Federal marshals accompany him when he travels through the city, according to Mr. IVT a 44-year-old lawyer who emerged as an informer and witness during the Marcus scandal in 1968.

n In addition to testifying against Marcus, he was a witness against Carmine G. De Sapio, the former Democratic party chairman in Manhattan, and several others who were also convicted.

Mr. Itkin testified yesterday that Mr. Lipkins had arranged with him to backdate several fictitious bills in an effort to disguise the payoff checks that he said he received in 1967.

Replying to questions by the prosecutor, Walter M. Phillips Jr., the witness said that he had also disguised Consolidated Edison with Mr. Lipkins and that the defendant had suggested that "the way to make a real bundle was through Con Ed."

The alleged suggestion was that Marcus could hold up approval of Consolidated Edison contracts until the company paid kickbacks, which might involve millions of dollars.

The trial of the 56-year-old defendant, who lives at 35 Sutton Place South, was adjourned by Judge Dudley B. Bonsal until today at 10 A.M.

BALTIMORE SUN
9 JUL 1971

# Informer Tells British Court He Lived Off Crime Profits

London, July 8 (Reuter)—A man said to be an FBI undercover agent told a high court jury here today he had lived on the proceeds of crime in the manner of a high-ranking American criminal.

Herbert Itkin, a 44-year-old New York attorney, explained that he had been assigned to infiltrate American criminal circles. He said he lived as one of them, but used the proceeds of crime to further his infiltration. He had never been a party to crime solely for his own benefit, he said.

Mr. Itkin was giving evidence for the defense on the 13th day of a libel action against Associated Newspapers, publishers of the *Daily Mail*.

The action had been brought by Associated Leisure, Ltd., Britain's largest dealer in amusement and vending machines, and its eight directors. It stems from an article published in the *Daily Mail* in December, 1968, which the company claims suggested it was controlled by the Mafia.

The defendants deny the words complained of referred to Associated Leisure. They also contend that if the words did refer to the firm, they were true and fair comment on a matter of public importance.

Mr. Itkin said earlier that as an undercover agent he attended meetings between directors of the company and Mafia associates.

NEW YORK TIMES
28 APR 1971

[redacted]

# Defendant in a Plot to Kill Itkin Is Found Guilty in Stock Fraud

By MORRIS KAPLAN

A Long Island lawyer who is awaiting trial on charges of plotting the murder of Herbert Itkin, a Government informer, was convicted of stock fraud conspiracy yesterday in Federal Court in Brooklyn.

Adjudged guilty after a two-week nonjury trial before Judge John F. Dooling Jr., Robert Schwartz was continued in his own custody pending sentence on May 6. The 46-year-old defendant faces a maximum of five years in prison and a $10,000 fine, or both.

Schwartz, who was arrested by the Federal Bureau of Investigation in January, 1968, has pleaded not guilty in the murder plot and is free on $75,000 bail set in Federal Court in Manhattan. The Government has charged that Schwartz contracted with a former convict, Robert H. Roden of Uniondale, L.I., to arrange the murder of Itkin.

The latter appeared as a key Government witness against former City Water Commissioner James L. Marcus, who went to prison for receiving a $40,000 kickback for a reservoir cleaning job.

Schwartz, who lives in Bay Shore, L. I., was found guilty of conspiring to pledge stock that he knew had been bought and paid for as collateral for a loan to a brokerage house he controlled.

### Among 10 Indicted in '66

He and nine others were indicted in 1966 on 18 counts of stock fraud and conspiracy after separate investigations by the Securities and Exchange Commission and a Federal grand jury.

Between October, 1961, and February, 1962, they made false statements in using the mails in offering stock sales of Precision Metals Inc., a Miami concern, according to Assistant United States Attorney Peter R. Schlam.

These manipulations allegedly resulted from an earlier scheme that involved a $300,000 stock offering of Triamgle Instrument Company of Syosset, L. I., at $2 a share. The underwriting was handled by Armstrong & Co., then at 15 William Street, a defunct brokerage house in which Schwartz was a principal.

During the underwriting an arrangement was made with Sterling Factors Corporation, 529 Fifth Avenue, pledging the sold but undelivered Triangle stock as collateral for a loan of $115,000. The Government charged that the deal constituted fraud.

In debt to Sterling Factors for $115,000, Armstrong & Co. sought to bail out by underwriting the Precision issue, using the proceeds to pay off Sterling. The Government proved that money was diverted, that Schwartz profited by the scheme. The cost to investors was estimated at $250,000.

Robert B. Edens, former president of Armstrong, pleaded guilty to conspiracy and testified for the Government. The others pleaded guilty to fraud and are awaiting sentencing.

STATINTL

LIFE BOOK REVIEW 26 FEB 1971

[redacted]

STATINTL

# A few thousand on the side

A PERCENTAGE OF THE TAKE
*by WALTER GOODMAN*
*(Farrar, Straus & Giroux) $6.95*

The corruption that seems endemic in the soul of man and gnaws away at the American system of government has produced at last the perfect vignette—a cast of characters swept up from the gutters of the underworld, from the luxurious executive suites of business, and from the supposedly austere levels of Mayor John V. Lindsay's reform administration in New York. The result is farce—the kind of farce the irreverent Samuel Johnson might have relished; the kind that bites deep and poses the unthinkable questions: Who is the more admirable, the ruthless Mafia chieftain or the "honorable" political fixer? The distinguished official who cannot resist temptation or the pillar-of-the-community businessman who cannot resist the temptation to bribe him?

Walter Goodman's tale tells how Water Commissioner James L. Marcus, married to a Lodge, fell from virtue like an overacquiescent girl. His inability to say "No"—in fact, his frantic compulsion to cry "Yes, yes"—soon lured to the contract-heaped, bribe-laden dinner table this contending set of jackals:

▷ Herbert Itkin, the racket lawyer who considered himself "almost a Mafioso," informer for those secret holies, the Central Intelligence Agency and the Federal Bureau of Investigation, a conniver who attempted every crooked deal in the book while passing on to his protectors only tidbits of information.

▷ Antonio ("Tony Ducks") Corallo, the Mafia bigwig, an aging muscleman whose sensitive nostrils told him that in Marcus he had a society pigeon ripe for plucking.

▷ Carmine De Sapio, the former puissant leader of Tammany Hall, a man who surfaced in the plot when finesse was needed to shake down Consolidated Edison, the mighty utility whose executive echelons contained men not averse to giving, or taking, a [illegible] on the side.

▷ Henry Fried, a millionaire contractor, accustomed by vast experience to the kind of arrangements necessary to get things done.

▷ A host of lesser characters, whose sense of ethics was expressed felicitously by Herbert Itkin: "Everybody screws everybody in these cases."

It is a New York story, but as Goodman comments, "No week passes without confirmation from some part of the country that thieves patrol the corridors of our public buildings and their accomplices occupy the inner offices."

In this contest Marcus-Itkin were the greedy innocents in the political jungle; they simply did not know how to collect, and it is Goodman's thesis that they might have been going on their merry way yet if they had. Goodman tells the story with flashes of mordant wit that light virtually every page. Marcus is the handsome social butterfly without ability or substance who turns to Itkin for succor after enmeshing himself in stock market debts. Goodman comments, "One is properly offended to learn that a young thing has fallen into the clutches of a pimp, yet the question often remains: if it had not been this pimp, would it not have been another?"

Itkin, the hustler, was the man who "knew people and powers: . . . If Jim was the properly brought-up boy with

*Walter Goodman*

naughty inclinations, then Herbie was the street urchin who knew all the whorehouses in town."

This street-urchin knowledge led Itkin to [illegible] to shake a kickback out of Henry Fried—and so delivered him and Marcus into the clutches of Corallo. We are left with some vivid, unforgettable scenes: Commissioner Marcus in his chauffeur-driven limousine arriving for a shady conference and being treated like an office boy, told by Corallo to wait on the street until Corallo was ready for him; Commissioner Marcus, fretting in the men's room waiting for the final payoff and Corallo sweeping the money into his own pocket, claiming he'd had "expenses"—and finally dealing the commissioner a measly $200; Itkin, informing on everyone in the end, delivering his "friend" Marcus to the FBI as his own meal ticket—and calling himself a hero who is "standing up" to the Mafia and the forces of corruption.

It is a picture of our times, complete with the corrupt official, the corrupting businessman, the Mafia strong-arms—and, perhaps the lowest, the undercover government informer who has to be protected because without him there would be no case. It is a combination rampant in the land, and while it lasts it seems almost sophomoric to speak of such archaic concepts as ethics and honor.

**by Fred J. Cook**

*Mr. Cook is the author of the forthcoming* The Nightmare Decade.

*There was a tide which, taken at flood, led on to being*

# A Percentage Of the Take

*By Walter Goodman. 226 pp. New York: Farrar, Straus & Giroux. $6.95.*

By ANDY LOGAN

Among the more popular news story plots, along with Cinderella, the prodigal son, and the kitten trapped in a tree, is the recurrent one featuring some poor, clever, hard-working, ambitious young man who rises rapidly in his chosen sphere but takes a wrong turn, falls into the clutches of evil and ruthless enemies, and eventually finds his world crashing down upon him. Something like this seemed to be involved when the news first broke in December, 1967, that James Marcus, Commissioner of Water Supply, Gas and Electricity in John Lindsay's new administration and son-in-law of a prominent American family, had resigned under fire, followed a few weeks later by word that he had been indicted by a Federal grand jury for selling the favors of his office.

In time, however, it appeared—and certainly this book makes it abundantly clear—that the plot was quite a different one. Marcus's parents were not poor but moderately prosperous; he was neither clever nor particularly industrious, and after flunking out of two colleges had spent most of the next decade trading on charm, good manners and imaginative accounts of his previous achievements as he drifted from one unsuccessful business alliance to another.

By a stroke of good fortune, at a Maine theatrical colony he had then met Lily Lodge, daughter of John Davis Lodge, former Governor of Connecticut and Ambassador to Spain during the Eisenhower years—credits Marcus would become adept at working into the most casual conversation. His marriage to Lily in June, 1962, brought him into the social and political orbit of John Lindsay.

In Lindsay's 1965 mayoralty campaign Marcus who, except for keeping an eye on the stock market, had no day-to-day [illegible] the volunteer worker who was always there. His first reward after the election was the unpaid role of assistant to the Mayor with special responsibility for the city's water problems, followed in September, 1966, by his appointment as commissioner of the department at $25,000 a year.

Even before Lindsay took office, Marcus had formed an investment partnership with Herbert Itkin, a fantastically wily and complex operator who would later testify that he considered himself "part of organized crime" and "almost a Mafiosi." Traveling about in official city limousines, Itkin and Marcus relieved a number of clients of retainers, which, in considerable part, they invested in their own bank accounts. Later Marcus would learn that Itkin was a paid informant of the F.B.I. who made regular reports to Washington on his various alliances, though his reports were at all times selective and never delivered until after he had collected and disposed his share of each coup.

Months before he took office as commissioner, Marcus, who had bet all the money he had and much that he didn't have on a stock that immediately plunged downward, had agreed, at Itkin's urging, to cooperate with various underworld characters, especially one Antonio (Tony Ducks) Corallo. Marcus awarded water department contracts to suit his new friends in return for loans (some of them at 104 per cent interest) and cash payments that would eventually be made in parked cars, under the table in Sixth Avenue luncheonettes, and in the men's rooms of midtown hotels.

At the City Hall ceremony swearing him in as commissioner he got an order to meet Tony Ducks and some of his pals that evening at an Italian restaurant on Lexington Avenue. When he obediently appeared, he took his seat at the table that had just been vacated by Armand d'Angelo, Commissioner of Water Supply, Gas and Electricity in Mayor Wagner's administration, who had stopped to wring his successor's hand on the way out. For many of those present, it must have seemed that the transition to the new reform regime had been an uncommonly smooth one.

With great skill and a witty running commentary Goodman steers the reader through the tangles of dealing and double-dealing of Marcus's brief official tenure, his final criminal involvement being the Consolidated Edison case that also brought down Carmine de Sapio. There are a number of ironic sidelights: The stock whose plunge downward caused Marcus to sell his soul to collateral relative of Thomas (Three-Finger Brown) Lucchese eventually did take a sharp rise, but not until after he had had to sell out. The biggest bonanza at his disposal, the $840,000 contract to clean the Jerome Park reservoir, went to one of his co-conspirators, whose company was, in fact, best equipped to undertake it. One of the plotters' more tortuous maneuvers, a long delaying action on a Consolidated Edison request, resulted, through a quirk, in a better deal for the city. And the F.B.I. knew as early as the summer of 1967 that Marcus was corrupting his office but did not tell John Lindsay.

Goodman's compelling interest is not in any of the principals but in the process of corruption itself. For a time there is great fascination in the comic-opera bumbling of some of the Cosa Nostra delegates and the triple-cross outrages of Itkin but it must be admitted that after a while a certain resistance develops to a cast entirely without innocents, whose members to a man are free of the faintest pang of moral conflict. (Marcus's single gesture toward independence from his partners in crime was an abortive attempt to get a better pay-off for himself elsewhere.)

One begins to search for some contrast to the unrelieved petty villainy, for scenes, perhaps, showing the smiling, inwardly frantic Marcus at lunch with his more earnest and dedicated colleagues in the Lindsay administration, which he would that morning have once again betrayed. But the author seems unconvinced that such an apparent contrast would necessarily be valid. Who knows, he implies, how many of the others may, in time-honored political fashion, have been collecting their percentage of some take, but doing it less clumsily?

Someday, perhaps, when everyone has more time, it is possible to imagine Goodman's account, very good as it stands, as part of a far longer book that would provide contrast enough for all. It would start with Cabot-

Miss Logan, who covers City Hall for The New Yorker, is the author of "Against the Evidence," the story of the Becker-Rosenthal affair and New York City corruption much earlier in the century.

WASHINGTON POST BOOK WORLD
1 Feb 1976

# The water commissioner and his can of worms

A PERCENTAGE OF THE TAKE. By Walter Goodman. Farrar, Straus & Giroux. 226 pp. $6.95.

By L. J. Davis

James L. Marcus was the kind of sucker that every crook in the world dreams about: a naïve weakling with a desperate hunger for money and no particular scruples about how he got it, who also happened to be the water commissioner of New York City. In short, a plum. You can scarcely dig a hole in New York without the water commissioner's permission. Moreover, he holds many lucrative contracts in his gift, and in the spring of 1966 there were some very big things afoot. A private contractor had to be found to drain and clean the huge Jerome Park Reservoir in the Bronx, and the progress of Consolidated Edison's even more immense undertaking at Storm King Mountain was heavily dependent on the commissioner's continued good will. Properly handled by the right sort of people, James L. Marcus was in a good position to help his friends a lot.

The kind of handling Marcus actually received was seldom proper, occasionally rough and often insanely inept; when the conspiracy that surrounded him was finally brought to light, it resembled less a nest of vipers than a can of worms. They were a curiously assorted lot that, at one time or another, included figures as diverse as a parvenu millionaire, a gangster whose nickname was Tony Ducks, at least one vice president of Consolidated Edison, no less a personage than Carmine De Sapio himself, and the bizarre Herbert Itkin, who fouled many nests and wore many hats: lawyer, embezzler, contact man, swindler, CIA agent and FBI spy, who was allowed to keep everything he stole because he squealed on all of his friends. Considering the magnitude of their opportunity they did astonishingly little damage, except to each other. They were so busy double-crossing each other that they had almost no time left over to swindle the city in any meaningful or significant way. There is such a thing as being too crooked for your own good.

*L. J. Davis writes frequently on New York politics.*

Very few of the people who appear in Walter Goodman's study of the affair emerge with any credit; on the evidence of these pages it is almost possible to believe that the world is populated by crooks and fools, with only the president of Consolidated Edison, like Caesar's wife, above reproach. It is a curious attitude and one that suffers from a kind of built-in tunnel vision. One would like to know, for example, what the police commissioner and the district attorney were doing all this time, or what the mayor thought about it all, or how a city department really works, or what Marcus was doing with his time when he wasn't being either duped or fleeced. It would also be helpful to know how, exactly, the conspiracy was finally uncovered and by whom, what the charges were, and who was sentenced for what crimes. Goodman tells us none of this. His world is a narrow and corrupt one. It is also more than a little confusing.

Stories do not tell themselves, not even true ones. Material must be sorted and organized in some fashion, relevant and illuminating fact must be included at the proper time, and it is neither fair nor useful to assume that the reader is an expert on the author's subject, or even remotely familiar with it. Goodman has not only omitted much that we need to know, but the information he chooses to include is often chaotic and unclear; there are many times, in a blizzard of names and treacheries, when it is simply impossible to figure out what the hell is going on. Goodman occasionally makes some sharp points and his book contains much useful, if undigested, information. It seems to me, however, that one has not really accomplished much by stating—amidst great confusion—that some politicians are corrupt and certain businessmen crooked. Everyone knows that, and it is a mistake to think that one is proving anything by saying it again.

THE WASHINGTON MONTHLY
FEBRUARY 1971

STATINTL

[redacted]

# James Marcus: Out of the Reservoir and Up the River

STATINTL

by Walter Goodman

In the middle of his life's journey, James Marcus found himself in a dark wood. He entered it after a fine bright year of success, the only completely successful year that he was to know. That came in 1965, when he was 35 years old and a volunteer in John Lindsay's campaign to be mayor of New York City. The Lindsay candidacy, an attack on the city's political masters, had to be run by outsiders, many of them new to municipal give and take, and James Marcus was one of these. He did the odd jobs that came his way—mainly following up potential sources of funds and support—and he won, along with the friendship of the new mayor, a place in the City Hall establishment. For the first time in his life, he could look forward to a position of consequence.

Until that good year, Marcus had played the part of the charming failure. He grew up in Schenectady, only child of a middle-class Jewish family. His father was a lawyer and sometime assistant district attorney; his mother a busy worker in a variety of causes. In his teens, owing to parental hopes for his future or exasperation with his scholastic past, he was sent off to military school, one of those places where characters are supposedly built. His later years at Union College and at the University of Pennsylvania [illegible] success and academic failure. He found that he was better suited to the softer pleasures of the campus than to the rigors of the classroom; his record spotted with Fs and cuts, he was dropped from both institutions. The jobs he held after finishing with college were of the sort that make impressive reading on a fellow's resume but are not otherwise sustaining. He was president of a short-lived investment firm in Chicago called James, Martin & Co., which never made any money. "It was a one-man operation, overhead extremely limited, a 10-by-10 office," reports the firm's secretary-treasurer. In 1960, according to the information released when he joined the Lindsay team, he became president of Chlorodyne Chemical Company, an organization that no one has been able to track down. In 1962 he got his fanciest connection, becoming head of a subsidiary of the large and famous advertising agency, Interpublic, Inc. The subsidiary, however—called Investors Marketing Services and designed to "assist" investors—was another small operation that did not last very long. Still, it had its uses. In a press release a few years later, which Marcus carried personally from City Hall to newspaper offices, this connection would be splendidly embellished by memory: Marcus described himself as having been "president of the I.M.S. subsidiary of Interpublic, Inc., a world-wide advertising and public-relations concern." Like a new wine in an old bottle, the Marcus career seemed inviting until uncorked.

Yet Marcus had charm. He cut a handsome figure, his boyish face improved by the early gray of his hair. He took pains with his grooming and his tailoring, his style up to date but not unduly innovative, appropriate, say, to a knowing young executive in a stock-brokerage house. An acquaintance of the time describes him: "He was nice and neat. Always had a suntan, always looked like he just came out of the shower."

Marcus was naturally attracted to affluent and swinging young New Yorkers. He gained entrance into their delectable ambiance with his marriage, in June, 1962, to Lily Lodge, daughter of John Davis Lodge, former governor of Connecticut and ambassador to Spain. (Thereafter, Marcus would sometimes have himself introduced as "the son-in-law of former Connecticut Governor John Davis Lodge," or a mouthful of words to that effect. The former governor, for his part, is not known to have advertised the new connection.) Jim and Lily had met at a theatrical colony in Maine.

Among the new friends whom he owed to Lily was John Lindsay, then Congressman from New York's Silk Stocking District. They met in 1964, and Marcus, free of worldly commitments, became a volunteer in the estimable young politician's 1965 mayoralty campaign. He was no major strategist, but his social talents served him well in making contacts in his candidate's behalf. Without the Lodge key, we may fairly assume, the doors of New York Republicanism would not have opened so wide to Marcus, so disastrously wide. "I thought he was the very nice son-in-law of a wealthy Christian family," a Lindsay aide of the time recalls dryly. Though short of the stamina that would have been required to work his way up through established party ranks, in the Lindsay camp he found a ready welcome. He owed his quick progress to the lack of

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